

Headquarters
United States Army, Europe, and Seventh Army
Unit 29351
APO AE 09014

USAREUR Regulation 690-72

Change 1

Headquarters
United States Air Forces in Europe
Unit 3050, Box 15
APO AE 09094
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USAFE Regulation 40-4

Change 1

Civilian Personnel

Local National Payroll Procedures in Germany

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Summary. This change prescribes new forms for U.S. Army local national employees to request reimbursement for travel expenses.

Applicability. Paragraph 3 of the basic regulation prescribes applicability.

Forms. The basic regulation prescribes AE Form 257 (German Travel Expense Voucher) and AE Form 257c (German Travel Expense Voucher Continuation Sheet). AE Forms 257 and 257c will be used only by U.S. Air Force local national employees in Germany; these forms will not be used by U.S. Army local national employees in Germany. Only -R forms may be reproduced locally on 8½- by 11-inch paper through the servicing forms management office. Other forms will not be reproduced; they will be ordered by the unit or organization publications officer from the United States Army Printing and Publications Center, Europe, or as stated in the prescribing directive.

Interim Changes. Interim changes to the regulation are not official unless authenticated by the Deputy Chief of Staff, Information Management, USAREUR. Interim changes will be destroyed on their expiration dates unless sooner superseded or rescinded.

Suggested Improvements. The proponent of the basic regulation is the Office of the Deputy Chief of Staff, Personnel, HQ USAREUR/7A (AEAGA-CR, 370-8162/8173). Users may send suggestions to improve the regulation on DA Form 2028 (Recommended Changes to Publications and Blank Forms) to the Commander in Chief, USAREUR, ATTN: AEAGA-CR, Unit 29351, APO AE 09063.

Distribution. Distribute according to DA Form 12-88-E, block 0695, command level B; and HQ USAFE.

USAREUR Reg 690-72, C1
USAFE Reg 40-4, C1

1. USAREUR Regulation 690-72, 3 January 1984, is changed as follows:

Page 2, Contents. Add paragraph 20.1 immediately after the title of section V as follows:

**20.1 Special Procedures for U.S. Army Local
National Employees in Germany16**

**Page 16, Section V—Processing of Travel and Moving
Expense Voucher.** Add paragraph 20.1 as follows:

**20.1. SPECIAL PROCEDURES FOR U.S. ARMY
LOCAL NATIONAL EMPLOYEES IN GERMANY**

a. Paragraphs 21 through 25 apply only to U.S. Air Force LN employees in Germany.

b. U.S. Army LN employees in Germany will use AE Form 690-69A (Supplemental Travel Order/*Zusatz zur Dienstreiseanordnung*) and AE Form 690-69B (German Travel Expense Voucher/*Reisekostenabrechnung*) to request reimbursement for duty travel expenses. Instructions are printed on the forms.

2. Post this change per DA Pamphlet 310-13.

3. File this change in front of the regulation for reference.

HEADQUARTERS
UNITED STATES ARMY, EUROPE, and SEVENTH ARMY
APO NEW YORK 09403

HEADQUARTERS
UNITED STATES AIR FORCES IN EUROPE
APO NEW YORK 09012

USAREUR Regulation
No. 690-72

USAFE Regulation
No. 40-4

3 January 1984

Civilian Personnel

LOCAL NATIONAL PAYROLL PROCEDURES IN GERMANY

Commanders will not supplement this regulation unless the Commander in Chief, USAREUR (Attn: AEAGA-CR), specifically grants approval.

The only interim changes to this publication that will be implemented are those having an expiration date and an Adjutant General, USAREUR, authentication.

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This regulation supersedes USAREUR Regulation 690-72/USAFE Regulation 40-4, 27 August 1970, including Changes No. 1, 29 July 1974; No. 2, 18 January 1978; No. 3, 10 April 1979; and No. 4, 18 March 1982.

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SECTION I--GENERAL

1. Authority. The Commander in Chief, USAREUR, as the designated coordinator for local national (LN) personnel matters in Germany, and the German Federal Minister of Finance have established the provisions in this regulation on the basis of:

a. Paragraph 5(b), Article 56 of the Supplementary Agreement to the NATO Status of Forces Agreement, and the Administrative Agreement of 10 February/ 8 April 1966 implementing paragraph 10 of Article 56.

b. Article 22, Collective Tariff Agreement of 16 December 1966 (CTA II).

2. Purpose. This regulation establishes procedures for processing wages, salaries, and other payments due LN (non-US citizen) employees from the US Forces, and the provision of funds by the US Forces.

3. Applicability. a. This regulation:

(1) Applies to all LN employees in the Federal Republic of Germany (GE) who are serviced by civilian personnel offices (CPO) of the US Forces or who are members of Civilian Support Groups (CSG).

(2) Does not apply to casual labor (USAREUR Reg 690-60).

b. Application to LN employees of the Army and Air Force Exchange Service, Europe (AAFES-E), will be subject to the administrative differences resulting from the Agreement of 24 September 1964 Concerning Performance of Payroll Office Functions for Personnel of AAFES-E.

4. Delineation of Functions. a. The correct and timely payment of LN employees is the responsibility of the US Forces and the GE Defense Costs Administration. The appropriate agencies of the US Forces will furnish to the Offices of Defense Costs (ODC), as specified, the necessary pay supporting documents, pay authorizations, and required funds. The ODC will compute, document, and disburse all monetary entitlements due to employees from their employment contracts.

b. In performing their functions, ODC will follow directions from GE Government authorities. Agencies of the US Forces are not authorized to give instructions to ODC or to request action on matters that have not been agreed on by US Forces and GE Government authorities at Federal or Land level.

c. The GE Federal Accounting Office (Bundesrechnungshof) is responsible for payroll audits at ODC. German tax and social insurance agencies will audit ODC accounts for tax deductions and social insurance charges. The US Government reserves the right to make additional audits as necessary.

d. To reimburse the GE government for administrative services, the US Forces will pay a flat rate of 1.25 percent of the gross payroll costs (para 1a).

e. Local US Forces CPO will perform liaison functions between US Forces activities (incl CSG) and ODC.

(1) Routine administrative matters may be settled by direct contact between ODC and employing organizations. Contacts to settle any disputes, clarify regulations and procedures, or adhere to tariff provisions and law will be made through the local CPO.

(2) Routine matters concerning procedures between ODC and the servicing Army finance and accounting office (FAO) or Air Force accounting and finance office (AFO) should be settled directly between the two agencies.

5. US Forces Responsibilities. The administrative support required by ODC for proper payment of employees is primarily a responsibility of employing organizations and CPO.

a. Commanders and chiefs of employing organizations will:

(1) Ensure correct preparation and timely submission of AE Form 72 and 72a (German Time and Attendance Report) and AE Form 72b (Advance Notification of Absence, Appointment, Separation) (see USAREUR Reg 690-66/ USAFE Reg 40-9).

(2) Notify CPO promptly and precisely of changes affecting payroll computation or processing, including changes in funds or accounting classification.

(3) Provide ODC with sufficient funds to pay LN payrolls through their FAO; AFO; Chief, USAREUR Central Accounting Division (CADNAF); and the Chief, USAFE Nonappropriated Fund Financial Management Branches (NAFFMB) for nonappropriated fund instrumentality (NAFI) payrolls.

(4) Ensure that resource management staff officers provide a current listing of payrolls with complete accounting classification to include Army Management Structure (AMS) codes or Air Force Cost Center codes for preparation of time and attendance reports, and furnish information copies to the paying FAO or AFO maintaining the fiscal records.

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b. Servicing CPO officers or CSG supervisors will:

(1) Prepare, process, and transmit to ODC, without delay, the notifications of personnel action on prescribed forms (AE Form 24-50, AE Form 24-50-1, or AF Form 825 (Notification of Personnel Action (GERMAN))). These notifications will include changes in funds, AMS codes, Air Force Cost Center codes, or other accounting classification.

(2) On an employee's transfer from one ODC to another, furnish the gaining CPO or CSG the necessary information to prepare a notification of personnel action. As soon as the effective date of transfer is established, the gaining CPO or CSG will prepare the notification of personnel action and forward 1 copy to the losing CPO or CSG, and forward 2 copies to both the losing and gaining ODC. On transfer to AAFES-E, the losing CPO or CSG will notify the respective ODC.

SECTION II--Payroll Functions

6. Preparation of Payrolls. a. The time and attendance reports of the individual employing organizations will be prepared as prescribed in USAREUR Regulation 690-66/USAFE Regulation 40-9.

b. As a rule, the ODC will prepare only one payroll for each employing organization regardless of how many AMS or Air Force Cost Center codes are chargeable for the employees' pay. For the purpose of this provision, each independent division of a larger organization that prepares its own time and attendance report will be considered as a separate employing organization. The payrolls will be prepared in the same order that employees are listed on the time and attendance report belonging to a payroll.

c. All employees on a payroll must be chargeable to the same major accounting classification (i.e., the appropriation, operating agency code, allotment serial, operating budget account number (OBAN), and fiscal station number are the same). As a minimum, a separate payroll must be prepared for each major accounting classification.

d. The ODC will compute earnings to be included in the monthly payroll in accordance with common table of allowances (CTA) II, article 22, paragraph 2. The computation will be based on entries in the time and attendance reports, and other pertinent records furnished by the US Forces. Christmas bonus, vacation bonus, and other special payments will be included in the regular monthly payroll unless payment is under conditions that require processing on a separate payroll.

e. The ODC will effect payroll deductions for taxes, social insurance charges, and other items that by law or employment contract can be withheld from earnings. Meals and quarters chargeable by payroll deduction or whose monetary value must be assessed for taxation will be considered on the basis of information on notifications of personnel actions, time and attendance reports, or rental agreements. The ODC will transfer the deducted amounts to the appropriate receiving agencies. Deducted amounts that are reimbursements to the US Forces will either be handled as droppages or be transferred to the appropriate US Forces agency as determined by the US Forces.

f. The following procedures apply:

(1) After adding up all pay columns and entering the totals on the completed payroll, the ODC will add the data in (a), (b), and (c) below. These amounts added to the sum of the gross earnings will constitute the total costs of the payroll. If the gross earnings include annual leave bonus, Christmas bonus, or cash awards, the ODC will separately identify the total amount of each of these payments on the payroll.

- (a) Employer share of statutory social insurance.
- (b) Premiums for the group life insurance.
- (c) Administrative service charge.

(2) When earnings on one payroll are chargeable to various AMS or Air Force Cost Center codes, the ODC are required to show a breakdown of the total gross earnings into the applicable AMS or Air Force Cost Center codes at the bottom of the payroll. Such a breakdown is not required if the payroll is grouped by AMS or Air Force Cost Center codes and a total of gross earnings is stated for each group and code.

g. Employing organizations servicing CPO, FAO, and ODC may agree on deviations from the provisions of a and b above, if automatic data processing equipment is available to the ODC for payroll processing. The payroll, however, will specify at least the amounts stated in f above.

7. Provision of Funds. a. Each ODC will obtain advances of funds from only one FAO for Army payments, and from one AFO at each airbase for Air Force payments. The ODC will account for payrolls and supporting documents with the servicing FAO or AFO. One FAO may receive requests from and advance funds to more than one ODC.

(1) The ODC will prepare an estimate of funds required to cover payrolls and travel expense vouchers for the current month. The estimate with request for transfer of required funds will be prepared on the Form F 2-70 (fig 1) and submitted, in 4 copies, to the servicing FAO by the 10th day of the month.

(2) The FAO will issue a check for the requested DM amount to be deposited in the appropriate ODC account. The check will be marked "for deposit only (nur zur Verrechnung)", and have the statement "Advance for LN payroll and travel costs" under "Object for which drawn."

(3) The check will be delivered to the ODC at least 10 days (not counting Sundays and holidays) before the payday. The ODC will enter the date the payroll is required on the fund request. Whenever possible, the check will be delivered directly to the ODC against receipt (DD Form 1081 (Statement of Agent Officer's Account), or other appropriate receipt form, in 2 copies. If direct delivery is not practicable, the check will be transmitted by registered mail with DD Form 1081 attached. The responsible ODC official will sign and return the receipt immediately to the issuing FAO. Each ODC will furnish the servicing FAO signature cards for at least two ODC officials who are authorized to receipt for checks. These two ODC officials will be placed on orders as payroll paying agents based on the request of the FAO or AFO to the orders issuing authority. This regulation will be cited as the basic authority for the orders.

(4) The FAO or AFO will return 1 copy of the fund request (Form F 2-70) with the check to the ODC. The original of the check receipt will be attached to the original of the fund request and, for accounting purposes, be treated as "cash in hands of agent."

b. The ODC will hold amounts that cannot be paid until the end of a period of limitation established by German Civil Code. If payment is not claimed before the expiration of this time limit, the ODC will credit the money to the FAO.

SAMPLE FORM F 2-70

Amt fuer Verteidigungslasten
Office of Defense Costs

Ort (Location)

Datum (Date)

AN:

TO: Finance and Accounting Officer

BETR.: Geldanforderung fuer die Entlohnung ortsansaessiger Arbeitnehmer

SUBJECT: Fund Requirements for LN Payrolls

1. Das Amt fuer Verteidigungslasten
veranschlagt die Lohn/Gehalts- und Reisekosten fuer den Monat
auf DM

1. The Office of Defense Costs
estimates that for the month of
an amount of DM
will be required for LN payrolls and travel expense vouchers.

2. Aus der Mittelueberweisung des Vormonats ist ein Ueberschuss von DM
verblieben. Der benoetigte Betrag belaeuft sich somit auf DM
Das AVL bittet um Ueberweisung dieses Betrages mit Verrechnungsscheck bis spaetestens
dieses Monats.

2. The balance from funds transferred in preceding month is DM
Therefore, the actual total fund requirements are DM
Request that this amount be forwarded by check marked "for deposit only" to
the Office of Defense Costs not later than the
day of this month.

Name und Unterschrift des Bevollmaechtigten
(Name und Signature of Payroll Official)

F 2-70

Figure 1--Sample Form F 2-70
Abbildung 1

c. Form F 2-70 to be used by ODC will be supplied by the German authorities.

8. Disbursement of Wages and Salaries. a. Wages and salaries will be paid once a month on the last workday of the calendar month by transfer to a bank account designated by the employee, as established in CTA II, article 22.

b. The following are exceptions to the rule in a above:

(1) Partial payments are authorized in cases of hardship (e.g., newly appointed employees in need of support until their first regular payday). In no case will partial payments exceed the amount earned by the employee up to the date of payment.

(2) On an employee's request, the earnings due on a payday that falls during annual leave of more than 10 calendar days will be paid to the employee before he or she begins the leave period (CTA II, art 33, para 10). For this purpose, employees will use and submit the prescribed forms (for Army employees, AE Form 24-119R (Request for Annual Leave)), including official approval of leave for the particular period, to ODC 10 calendar days before the beginning of their leave.

(3) When employment is terminated, final payment of earnings will be made at the time of the employee's separation (CTA II, art 22, para 4).

c. Advance payments for wages or salaries are not authorized except for annual leave under b(2) above.

d. The ODC will disburse earnings by transfer to employee's bank account or postal check account. Each employee is required to inform the employing agency or CPO of his bank, bank number, and account number in due time before his first payday for transmittal to the ODC.

9. Other Payments. In addition to wages and salaries, the ODC will process on payrolls or travel expense vouchers other authorized payments due an employee from employment with the US Forces (e.g., Christmas bonus, vacation bonus, claims, cash awards, travel compensation).

SECTION III--ACCOUNTING PROCEDURES FOR AND CERTIFICATION OF PAYROLLS (APPROPRIATED FUND)

10. Recapitulation of Payrolls and Certification (Form F 1-70). The ODC will prepare a Recapitulation of Payrolls and Certification for all payrolls that are chargeable to the same fiscal station, appropriation, and allotment serial number. The form will be prepared in 4 copies. Form F 1-70 (fig 2) to be used by ODC will be supplied by the German authority.

11. Transmittal of Form F 1-70. The ODC will transmit the original and 2 copies of Form F 1-70 with the original and 1 copy of each payroll covered to the appropriate FAO or AFO. Transmittal will be at the same time that the fund request (Form F 2-70) for the following month is submitted.

12. Certification of Form F 1-70 by Finance and Accounting Officer and Accounting and Finance Officer. On receipt of the documents specified in paragraph 11, the FAO or AFO will perform an administrative examination to verify that the payroll documents of the ODC are complete and properly certified. The FAO or AFO will then enter his or her fiscal certification on the reverse of the Form F 1-70 and return 1 certified copy to the ODC.

13. Army Finance and Accounting Officer Accounting Functions. Army FAO will perform the following accounting functions for Army payrolls:

SAMPLE FORM F 1-70

Amt fuer Verteidigungslasten
Office of Defense Costs _____

Ort (Location)

Datum (Date)

AN: Finance & Accounting Officer
TO: _____ Finance Section
APO

Rechnungsstelle
(Fiscal Station)

BETR.: Zusammenstellung und Bestaetigung von Lohnlisten (RP & C)
SUBJECT: Recapitulation of Payrolls and Certification (RP & C)

Beiliegend erhalten Sie die Lohn/Gehaltslisten fuer den Monat
laut folgender Ausstellung gemaess USAREUR Regulation 690-72/USAFE Regulation 40-4.

(Attached are the payrolls for the month of
as shown in the following list according to USAREUR Regulation 690-72/USAFE Regulation 40-4.)

US Haushaltstitel.....
(US Appropriation)Zuteilungskennziffer
(Allotment Serial)[illegible]

Diese Zusammenstellung umfasst _____ Blätter
(This recapitulation consists of _____ sheets)

F 1-70

Figure 2--Sample Form F 1-70
Abbildung 2

SAMPLE FORM F 1-70

Ich bestaetige, dass die aufgefuehrten Lohnlisten auf Grund der von den US Streitkraefte(n) ausgestelltten Unterlagen richtig berechnet und ausgezahlt worden sind. Alle Abzuege sind ordnungsgemaess berechnet und abgefuehrt worden.

(I certify that the listed payrolls have been correctly prepared and paid in accordance with the data provided by the US Forces. All pay deductions have been correctly computed and processed.)

Amt fuer Verteidigungslasten
Name und Unterschrift des Bevollmaechtigten
(Name and Signature of Certifying
Payroll Official)

Genehmigt in Hoehe des Betrages der fuer den Monat.....
nach Kontenschluessel zu Lasten des angegebenen Haushaltstitels ausgewiesen ist.

(Approved as to sufficiency of funds to cover amount chargeable to accounting
classification shown for the month of)

Datum
(Date)

Name und Unterschrift des
Finance and Accounting Officer
(Signature and Name of Finance
and Accounting Officer)

Amtsbezeichnung
(Official Title)

F 1-70

Figure 2 (cont)
Abbildung 2

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a. Prepare Standard Form (SF) 1034 (Public Voucher for Purchases and Services Other Than Personal) to reflect cash payment in the actual dollar value of the payroll or travel expense voucher, or both, and process it into his or her account as a cash voucher. The "Payee" will be shown as "Amt fuer Verteidigungslasten" with its location. Under "Articles of Services", the remark "See Attached Payroll Vouchers" will be entered. A copy of the SF 1034 will be furnished the applicable ODC for control purposes.

b. Prepare DD Form 1081 or a similar receipt for payroll documents received from the ODC. The receipt will be used as a basis for liquidating the previous DD Form 1081 used to transfer funds to the ODC. The FAO will furnish 1 copy to the ODC. The balance from the previous month chargeable to the ODC will be retained by that ODC. This balance will be accounted for on DD Form 1081, to be carried forward and applied to the fund requirements for the current month.

c. Forward a copy of the vouchered SF 1034 with copies of the Form F 1-70 and supporting documents (i. e., payrolls or travel expense vouchers) pertaining to transactions for others (TFO) to the cited fiscal station. These vouchers will be handled under normal TFO procedures.

d. Process installation disbursements through his or her accounts, and charge the applicable appropriations, possibly through use of a locally developed coding system that correlates payroll numbers to the employees' activity, and complete accounting classification to be charged.

e. For payrolls chargeable to multiple AMS codes, distribute the additional charges (e.g., social insurance, group life insurance, administrative service charge) proportionally to each AMS code according to its percentage of the total gross earnings for the payroll. An illustrated method is shown below and is based on computing a factor and multiplying the gross earnings of each AMS code by that factor to determine the total payroll amount for each AMS code.

(1) Amounts stated on the payroll:

AMS Code	Gross Earnings
XXXX.XXXX	10,000
XXXX.XXXX	5,000
XXXX.XXXX	7,000
XXXX.XXXX	1,000
Total Gross Earnings	23,000

Plus employer's share of:

Social Insurance	2,300
Group Life Ins Premium	230
Administrative Service Charge	150
Total Additional Charges	2,680
Total Gross Payroll	25,680

(2) Computation of the factor:

Factor equals $\frac{\text{Additional Charges} \times 100}{\text{Total Gross Earnings}} + 100$

$$\frac{2680 \times 100}{23000} + 100 = 111.6522\%$$

(3) Computation of total AMS amounts:

AMS Code		Total Charges
XXXX.XXXX	111.6522% of DM 10,000 =	11,165.22
XXXX.XXXX	" 5,000 =	5,582.61
XXXX.XXXX	" 7,000 =	7,815.65
XXXX.XXXX	" 1,000 =	1,116.52
	Total (equals gross payroll total)	25,680.00

(4) The sum of the total AMS amounts, after distributing the additional charges, should agree with the amount for the applicable payroll in the "Total Costs" column on the Form F 1-70. Differences must be researched and resolved.

f. Obligation, accrual, and expense procedures for vacation and Christmas bonuses are prescribed in (1) and (2) below:

(1) Job Order Cost Accounting Systems. Obligations will be recorded, accrued, and charged to overhead variance accounts on a monthly basis.

(2) Other Accounting Systems.

(a) The vacation bonus payable in May each year will be recorded in its entirety as an obligation and accrual during that month. A partial vacation bonus payment will be obligated on termination of the LN employee concerned and charged to the fiscal year current at that time.

(b) The Christmas bonus payable November of each year will be recorded in its entirety as an obligation and accrual during the preceding October and charged to the current fiscal year.

14. Air Force Accounting and Finance Officers Accounting Functions. Air Force accounting and finance offices will perform the following accounting functions for Air Force payrolls:

a. Distribute the additional charges (e.g., social insurance, group life insurance, administrative service charge) to the cost centers as a percentage of each cost center's gross earnings to the total gross earnings for the payroll. The easiest method of doing this is to compute a factor and then multiply the gross earnings of each cost center by that factor to determine the total payroll amount for each cost center. Use of this method is illustrated below:

(1) Amounts stated on the payroll:

Responsibility Center/Cost Center	Gross Earnings
200930	10,000
200950	5,000
200970	7,000
200990	1,000
Total Gross Earnings	23,000
Employer Share of Social Insurance	2,300
Group Life Insurance	230
Administrative Service Charge	150
Total Payroll	25,680

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(2) Computation of the factor:

$$\text{Factor} = \frac{\text{Additional Charges} \times 100}{\text{Total Gross Earnings}} + 100$$

$$111.6522 = \frac{2680 \times 100}{23000} + 100$$

(3) Computation of total cost center amounts:

Cost Center 200930	10,000 x 111.6522 = 11,165.22
Cost Center 200950	5,000 x 111.6522 = 5,582.61
Cost Center 200970	7,000 x 111.6522 = 7,815.65
Cost Center 200990	1,000 x 111.6522 = 1,116.52
	25,680.00

(4) The sum of the total cost center amounts, after distributing the additional charges, should agree with the amount for the applicable payroll in the "Total Costs" column on the Form F 1-70. Differences must be researched and resolved.

b. Convert the Deutschemark (DM) amounts to dollars.

c. Prepare SF 1034 for all payrolls on Form F 1-70. Process the SF 1034 as a disbursement to reduce the amount previously advanced to the ODC on the DD Forms 1081.

d. Make remote entries or keypunch transactions cards to record the total cost center amounts in the accounting system for operations.

**SECTION IV--PROCESSING AND PROCEDURES FOR NONAPPROPRIATED FUND
INSTRUMENTALITIES PAYROLLS**

15. Payroll Preparation. The ODC will prepare the payrolls for NAFI activities on the basis of the same records as for appropriated funds. A separate payroll will be prepared for each NAFI activity.

16. Fund Request. The ODC will prepare an estimate of the funds required for the current month, and submit a request for transfer of the estimated amount to the CADNAF and to the NAFFMB concerned. The CADNAF or the NAFFMB is designated as the sole source of contact on all payroll matters between the ODC and NAFI activities. The fund request will be combined with the payroll bill for the preceding month as shown in Form FS 2-70. Form FS 2-70 (fig 3) to be used by ODC will be supplied by the German authority.

17. Provision of Funds. a. The CADNAF and NAFFMB will be reimbursed from each serviced NAFI activity. One check from the CADNAF or NAFFMB will be forwarded to the ODC at least 10 weekdays (not including Sundays and German holidays) before the scheduled payday. The ODC will state the applicable date on the fund request. Commanders who have jurisdiction over CADNAF and NAFFMB will hold them responsible for delivery of the check by the given date and will not tolerate delinquencies.

b. Whenever possible, the CADNAF and NAFFMB will deliver the check directly to the ODC against receipt. If direct delivery is not practicable, the check will be transmitted by registered mail. The responsible ODC official will immediately forward a signed receipt to the sending CADNAF or NAFFMB.

18. Notification Requirements of NAFI Managers. NAFI managers will notify the CADNAF or NAFFMB immediately of any action or absence that will affect the payroll

SAMPLE FORM FS 2-70

Amt fuer Verteidigungslasten
 Office of Defense Costs

Ort (Location)

Datum (Date)

AN:
 TO:

BETR.: Lohn-/Gehaltsrechnung fuer ortsansaessige Arbeitnehmer
 SUBJECT: LN Payroll Bill

1. Als Anlage uebersenden wir die Lohn/Gehaltsliste fuer den Monat _____. Der Unterzeichnete bestaetigt, dass die aufgefuehrten Personen ordnungsgemaess ausgezahlt und die Abzugsbeträge an die zustandigen Stellen abgefuehrt worden sind.

(1. Attached is the payroll for the month of _____. The under-signed certifies that payments were properly disbursed to listed payees and deductions transferred to appropriate agencies.)

2. Nachstehend ist die Abrechnung der Gesamtkosten fuer den von der beiliegenden Lohn/Gehaltsliste erfassten Zeitraum:

(2. Following is total cost accounting for the period covered by attached payroll.)

Brutto- Lohn-/Gehaltssumme (Gross Payroll Cost)	DM _____*
Arbeitgeberanteile zur Sozialversicherung (Employer Share of Social Insurance)	DM _____
Zusatzversicherung (Group Life Insurance)	DM _____
Unfallversicherung (Accident Insurance)	DM _____
AVL Verwaltungskosten (ODC Service Charge)	DM _____
Andere Kosten (Bezeichnung) Other Charges (specify))	DM _____
	DM _____
S U M M E	
(T O T A L)	DM _____

Figure 3--Sample Form FS 2-70
Abbildung 3

SAMPLE FORM FS 2-70

Kostenvorschuss an AVL (Funds deposited with ODC) DM _____

Abzuege fuer NAF Dienststelle
(Collections creditable to NAF agency) DM _____

Restbetrag zu Gunsten/zu Lasten des Selbstzahlers
(Balance creditable/chargeable to NAF agency) DM _____

3. Die im Monat _____ fuer Lohn/Gehaltskosten erforderlichen Mittel werden auf DM _____ veranschlagt. Unter Beruecksichtigung der Gutschriften aus dem Vormonat - vgl. Ziffer 2 - belaeuft sich der benoetigte Betrag auf DM _____. Wir bitten diesen Betrag mit Verrechnungsscheck bis spaetestens _____ dieses Monats an das Amt fuer Verteidigungslasten zu ueber-weisen.

(3. Funds required for payroll of the month of _____ are estimated at DM _____. In consideration of balance from preceding month stated in para 2, the requirement is adjusted to DM _____. Request that this amount be transferred by check marked "for deposit only" to the Office of Defense Costs not later than _____ day of this month.)

Name und Unterschrift des Bevollmaechtigten
(Name and Signature of Certifying
Payroll Official)

In den Monaten Mai und November ist folgende Aufschluesselung anzufuegen:
(*Add following breakdown in the months of May and November:)

Lohn/Gehaltskosten (Wages/Salaries) DM _____

Urlaubsgeld (Vacation Bonus) DM _____

Weihnachtsgeld (Christmas Bonus) DM _____

Figure 3 (cont)
Abbildung 3

(e.g., termination, absent without leave (AWOL), sickness). The CADNAF or NAFFMB will then notify the ODC by telephone. AE Form 72b will be submitted in addition to the telephonic information as prescribed in USAREUR Regulation 690-66/USAFE Regulation 40-9, annex B. Failure on the part of the NAFI managers, CADNAF, or NAFFMB to make immediate notification of any changes in pay status will result in the NAFI activity being solely responsible for any overpayments of salaries and their recoupment from the employee.

19. Office or Defense Costs Actions, Payroll Bill (FS 2-70). a. The ODC will effect payment to NAF employees the same as to appropriated fund employees. After completion of payment and not later than the 10th day of the following month, the ODC will furnish to the CADNAF or NAFFMB the payroll bill (FS 2-70) with a copy of the payroll and certification of completed payment.

b. In addition to payments processed on the payroll, the bill will include the following:

(1) Employers share to social insurance.

(2) Two percent of gross wages or salaries contribution for accident insurance. The ODC will transfer the monthly collections to the following account:

Badische Kommunale Landesbank
Account Number: 4 592 279
American Express IBC
for Account Number: 502 000 120
6800 Mannheim

Advance notices of remittance will be forwarded each month to the following address:

USAREUR Club and Mess Fund, ECN-1645
Office Deputy Chief of Staff, Personnel
HQ USAREUR and Seventh Army
Roemerstrasse 168
6900 Heidelberg

The 2 percent accident insurance charge collected from Air Force NAFI activities and the advance notice of remittance will be transferred to the same account and address as stated above.

(3) Contributions to the Group Life Insurance (CTA II, art 39).

(4) The ODC administration service charge of 1.25 percent.

(5) Other costs from employment not included in the payroll (e.g. labor court).

c. The bill will show the amounts creditable to the NAFI activity from payroll deductions (e.g., meal charges), collection of overpayments and claims (para 26 and 27, this reg), and balance of deposited funds. This credit will be applied to the estimate for the current month.

d. CADNAF and NAFFMB will keep the following documents on record:

(1) The ODC payroll bill.

USAREUR Reg 690-72
USAFE Reg 40-4

(2) The copy of the payroll.

(3) The receipt for deposit of funds.

20. Unpayable Amounts. The ODC will hold amounts that cannot be paid to an employee on a suspense account. When claims are received from persons entitled to these amounts, the ODC will effect payment. Money remaining unpaid for 2 years from the end of the year in which payment was due will be transferred by check to the following addresses:

- a. Army: Custodian USAREUR Moral Support Fund
ECN 724
HQ USAREUR, ODCSPER
Roemerstrasse 168
6900 Heidelberg
- b. Air Force: Send to the NAFFMB servicing
the employing activity.

SECTION V--PROCESSING OF TRAVEL AND MOVING EXPENSE VOUCHERS

21. Preparation of Travel Expense Voucher. a. AE Form 257 (German Travel Expense Voucher) will be used for reimbursement of duty travel expenses. The employee who performed the travel will prepare and sign an original and 3 copies of AE Form 257. The AE Form 257 original and 2 copies of the travel order and receipts or other proof for authorized expenses will be attached to the original of the voucher. Attachment of a travel order will not be required when AE Form 257 is submitted for reimbursement of local duty travel costs under CTA II, Part R-IV (USAREUR Reg 690-68 or USAFE Reg 40-37).

b. The employee's supervisor will review the entries on the back of AE Form 257 and will acknowledge their correctness by signing the approval line on the original and all copies of AE Form 257. This will constitute authorization for computation and payment of travel expense compensation in accordance with the certified travel data and pertinent regulations.

22. Processing of Appropriated Fund Travel Expense Voucher. a. The employing installation will forward the AE Form 257 (in 4 copies) with prescribed inclosures (USAREUR Reg 690-68) to the ODC. Except for CSG vouchers, transmittal will be through the servicing CPO. The CPO will review regulatory correctness and countersign the original, mark other copies as duplicates for accounting purposes not authorizing payment, and forward all copies to the ODC as quickly as possible.

b. The ODC will compute the travel expense compensation, enter amounts in the appropriate columns of AE Form 257, effect payment to employee, and certify that payment to the employee has taken place. The administrative service charge on the amount paid will either be shown as a separate line entry on AE Form 257 or included in the amount charged monthly on the total amount of travel expense vouchers paid.

c. Each month the ODC will transmit to the servicing FAO the original and 1 copy of all AE Forms 257 paid, with 3 copies of supporting travel orders and other attachments. The AE Forms 257 will be numbered and transmitted with a summary as shown in Form F 3-70 (fig 4). Form F 3-70 to be used by ODC will be supplied by German authority.

d. On receipt of summary and vouchers, the FAO will:

(1) Perform the required administrative examination and verification.

(2) Prepare an SF 1034 to reflect cash payment in the actual value of the travel expense vouchers and process it into his or her accounts as a cash voucher. AE Forms 257 will be retained as supporting documents to SF 1034.

23. Partial Payment of Travel Expense Compensation. The ODC will make partial payment of travel expense compensation in advance of duty travel when requested by an employee as prescribed in CTA II, part II, appendix R, paragraph 2d. For computation and processing of payment, the ODC will require a copy of the travel order with authenticated information on itinerary. For details, see USAREUR Regulation 690-68 or USAFE Regulation 40-317.

24. Moving Expenses. a. AE Form 257 will be used for reimbursement of moving expenses. The employee and supervisor will prepare and process AE Form 257 the same as for payment of travel expense compensation, except that entries on the reverse will reflect data pertinent to shipment of household goods and transportation of dependents.

b. An authorization on the pertinent notification of personnel action and a valid permanent change of station (PCS) travel order listing dependents for whom reimbursement of transportation expenses is authorized will be required as basis for payment. Three copies of the PCS travel order, and certified bills, receipts, or other documents proving expenses for which reimbursement is claimed will be attached to the AE Form 257.

25. Processing of Nonappropriated Fund Travel Expense Vouchers. a. For nonappropriated funds, AE Form 257 will be prepared as stated in paragraphs 21 and 24 above but with additional copies if required by the CADNAF or NAFFMB.

b. The ODC will compute the travel expense compensation, enter amounts in the appropriate columns of AE Form 257, effect payment to the employee, and certify that payment to the employee has taken place. The administrative service charge on the amount paid will either be shown as a separate line entry on AE Form 257 and included in the amount charged or be charged monthly on the total amount of travel expense vouchers paid.

c. Each month the ODC will transmit to the respective CADNAF or NAFFMB the original and 1 copy of all AE Forms 257 paid, with 3 copies of supporting travel orders and other attachments. AE Forms 257 will be numbered and transmitted with a summary as shown in Form F 3-70 (fig 4).

d. The CADNAF and NAFFMB will keep receipted vouchers with inclosed documents on record in accordance with applicable regulations.

e. Partial payment of travel expense compensation to NAFI LN employees will be made in accordance with paragraph 23 above.

SECTION VI--OVERPAYMENTS, ORDERS OF ATTACHMENTS, AND US GOVERNMENT CLAIMS

26. Principles for Collection of Overpayments. a. Whenever possible, the ODC will adjust overpayments on subsequent payrolls.

b. When an overpayment cannot be adjusted in accordance with a above, the appropriate German authorities will be required and authorized to collect the overpaid amounts before the time limits established in CTA II, article 49, expire. In taking such action, the current principles governing collection of overpayments from employees of the German Federal Minister of Interior in circular of 23 October 1962, II B/2, 4016, 465/62 (Min BL Fin 1962, page 713), as changed by circular of 4 July 1980, D III 1, 220219, 6/5 (Min BL Fin 1980, page 303), will apply. If, after these principles have been followed, approval is granted to write the uncollectible items off. Amounts recovered will be transferred or credited to the appropriate agency of the US Forces.

SAMPLE FORM F 3-70

Amt fuer Verteidigungslasten
Office of Defense Costs

Ort (Location)

Datum (Date)

AN: Finance and Accounting Officer

TO: Central Accounting Division.....

NAFFMB for Air Force NAFI

BETR.: Reise- und Umzugskostenrechnungen

SUBJECT: Summary Recapitulation of LN Travel and Moving Expense Vouchers

1. Als Anlage werden die Reisekosten- Umzugskostenrechnungen (AE Form 257) fuer den Monat _____ gemaess folgender Aufstellung uebersandt:

(1. The following data are furnished for attached AE Form 257, which have been paid during the month of _____)

		S U M M E D E R:		
Nr. und Datum der Dienstreiseanordnung (Date and Order No.)	Name des Reisenden (Name of Traveler)	Reisekosten- Umzugskosten- verguetung (A M O U N T O F:) (Compensation)	Verwaltungs- kostengebuehr (Service Charge)	Gesamtsumme (Grand Total)
		DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
_____	_____	DM _____	DM _____	DM _____
GESAMTKOSTEN (Expenditure Totals:)		DM _____	DM _____	DM _____

2. Ich bestaetige die Richtigkeit der vorstehenden Aufstellung.

(2. I certify that the above information is correct.)

Anlage
(incl)

Name und Unterschrift des Bevollmaechtigten
(Complete signature and typewritten name
of ODC certifying officer)

Figure 4--Sample Form F 3-70
Abbildung 4

27. Processing of Orders of Attachment by Offices of Defense Costs. Orders of attachment issued by a German court to withhold part of an employee's earnings will be processed by the ODC in accordance with the Supplementary Agreement to the NATO Status of Forces Agreement, article 35(a). Orders of attachment erroneously received by employing organizations will be forwarded without delay to the ODC.

28. Principles for Processing US Government Claims Against Employees. Collections from loss, theft, or destruction of US Government property will be initiated by the US Forces in accordance with USAREUR Regulation 690-62 or USAFE Regulation 40-30, if the employee agrees to pay voluntarily or if the appropriate US Forces reviewing authority has established pecuniary liability in accordance with governing principles of German law.

a. When the employee has agreed to voluntary payment, the CPO or CSG will forward his statement to the ODC for necessary action.

b. When collection results from the decision of the US Forces based on USAREUR Regulation 690-62 or USAFE Regulation 40-30, the servicing CPO or CSG will prepare a letter to the ODC requesting payroll deductions. The letter (with German translation) will include all information required by the ODC for action, and cite the report of survey and reason for collection.

c. Generally, the monthly rate of deduction will be the maximum amount authorized under German law on garnishment and attachment of wages (German Civil Practice Act, art 850 ff). In individual cases, the responsible US Forces authority may approve a lower rate in consideration of the employee's personal situation and financial hardship. The monthly rate of deduction will then be specified in the letter requesting collection.

d. On receipt of a request for collection, the ODC will inform the requesting agency in writing of the date of commencement of collection. Orders of attachment against the same employee received by the ODC before the US Forces' request for collection will take precedence and may delay payroll deductions. The ODC will inform the requesting agency if collection cannot be continued because of termination of employment.

e. The collected amounts will be handled as droppages.

f. When an employee is dismissed for property offenses (e.g., theft, embezzlement), the monetary damage to the US Forces caused by intentional, illegal acts will be offset against any payment still due the employee. The employing organization will request, through the servicing CPO, that the ODC withhold the amount claimed by the US Forces from payments due the employee. CSG may forward such requests directly to the ODC. Collections made will be handled as droppages.

29. Processing of Claims for Sick Pay From a Third Party. Claims for compensation of sick pay to employees incapacitated by the act of a third party (CTA II, Art 32) will be pursued as follows:

a. By entry on time and attendance report (or notification of absence), the employing installation will inform the ODC that an employee's unfitness for work was caused by a third party. In addition, the employing organization will obtain from the employee information required in accordance with CTA II, article 32, and a cession signed by the employee (fig 5) and will immediately forward it to the servicing ODC.

DECLARATION OF ASSIGNMENT

As a consequence of the incident causing physical damage of _____
(date)
for which _____
is responsible, I am/have been unfit for work since _____ /from
_____ to _____ .

The employing organization has granted me sick pay through the payroll office, the Office of Defense Cost in _____ for the duration of my unfitness for work in accordance with the Collective Tariff Agreement (CTA II) for employees of the Sending States Forces in the Federal Republic of Germany, dated 16 December 1966.

I, therefore, cede to the employing organization _____ my claim against _____ from the above mentioned incident for damage compensation for loss of earnings in the amount of the sick pay received by me.

I expressly declare that I have not disposed to that extent of my entitlement to the claim and will refrain in the future from disposing of the ceded portion of the claim.

The remaining entitlement to compensation for damage will be asserted by myself.

(Locality/Date)

(Signature)

DECLARATION OF ASSIGNMENT

Claim for compensation assigned to employing organization _____ by
above declaration of assignment is assigned to Office of Defense Cost _____ for
collection in accordance with Article 29, CTA II, USAREUR Regulation 690—72

(Locality/Date)

(Signature)

Figure 5--Declaration of Assignment

b. Based on the employee's statement, the ODC will claim compensation from the liable party (e.g., insurance company). In asserting a ceded claim, a further claim of the employee exceeding that of the employing agency must not be neglected unless it is obviously unjustified. If the compensation obtained exceeds the payments made by the employing agency, the employee will be paid the excess amount. If necessary, the German authorities will initiate legal action for enforcing payment. Collected amounts will revert to the US Forces and be credited to the fund previously charged with the employee's sick pay.

(AEAGA-CR, HDG Mil (2121-)7428/8173)

FOR THE COMMANDER IN CHIEF:

OFFICIAL:



THOMAS D. AYERS
Major General, GS
Chief of Staff

C.F. BRIGGS
Brigadier General, USA
Adjutant General



BILLY M. MINTER
General, USAF
Commander in Chief

ALBERT G. STEWART
Colonel, USAF
Director of Administration

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- 5 - USCINCEUR
- 5 - CINCUSNAVEUR
- 5 - CINCUSAFE (DPCM)
- 600 - CINCUSAFE (DAPD, APO 09633 (F distr: GE only))
- 20 - DivEngr, USAEDE
- 20 - Cdr, V Corps (AETVCP)
- 20 - Cdr, VII Corps (AETSCP)
- 20 - Cdr, 21st SUPCOM (AERCP)
- 10 - Cdr, USAB (CPO)
- 20 - Cdr, 7th MEDCOM
- 50 - Cdr, 26th Spt Gp (AEUSG-CP)
- 30 - Cdr, 7ATC (AETTG-CP)
- 3 - Cdr, USACAE
- 30 - Cdr, USAISAE
- 3 - Cdr, AFNE
- 300 - Cdr, UCSA
- 3 - Cdr, AFRC

USAREUR Reg 690-72

USAFE Reg 40-4

3 - Dir, USAREUR CI VI Agcy
10 - Cdr, 5th Sig Comd (CPD)
20 - Cdr, AAFES, Eur (Pers Div)
15 - EdinC, European Stars and Stripes
2 - Dir, DODDS-A
2 - Dir, DODDS-M
2 - Dir, DODDS, Germany
3 - Dir, USAREAE
50 - Cdr, 29th Area Spt Gp (AERAS-CP)
50 - Cdr, 54th Area Spt Gp (AERV-CP)
100 - CCPO, Nuernberg
50 - ea CCPO, Augsburg, Bamberg, Frankfurt, Garmisch, Karlsruhe, Munich, and Stuttgart
30 - ea CCPO, Ansbach, Aschaffenburg, Bad Kreuznach, Mannheim, Pirmasens, and Zweibruecken
20 - ea CCPO, Baumholder, Bremerhaven, Darmstadt, Giessen, Hanau, Schweinfurt, Wiesbaden, and
Wuerzburg
10 - C, USA CFAD, Eur
CINCUSAREUR:
60 - DCSPER (AEAGA-CR; 35 - Head Works Council; 5 - AEAGA-S (DODDS LO))
10 - DCSRM (AEAGF-F)
11 - AG (4 - AEAAG-APP-C; 1 - AEAAG-APF-F; 6 - AEAAG-ALU)
350 -Cdr, USAPPCE (AEUAS-PU) (STK)